



Sempra Energy Media Statement On Cameron LNG Agreement With McDermott And Chiyoda

July 5, 2019

SAN DIEGO, July 5, 2019 /PRNewswire/ -- McDermott International (McDermott) and Chiyoda International (Chiyoda) announced today they have reached an agreement with Cameron LNG for performance-based commercial considerations related to the construction and commissioning schedule that further aligns the interests of all parties around safe, timely completion of Phase 1 of Cameron LNG, a three-train liquefaction-export project under construction in Hackberry, La.

McDermott and Chiyoda are providing the engineering, procurement and construction for the first three liquefaction trains at the Cameron LNG export project. Cameron LNG is jointly owned by affiliates of Sempra LNG, Total, Mitsui & Co., Ltd., and Japan LNG Investment, LLC, a company jointly owned by Mitsubishi Corporation and Nippon Yusen Kabushiki Kaisha (NYK). Sempra Energy (NYSE: SRE) indirectly owns 50.2% of Cameron LNG.

Sempra Energy issued the following media statement regarding the agreement discussed above:

"As previously announced, commissioning of Train 1 at Cameron LNG continues to advance, and the first commissioning cargo was shipped from the facility earlier this year. Consistent with previously disclosed timing, Train 2 and Train 3 are expected to begin producing liquefied natural gas (LNG) in the first quarter 2020 and second quarter 2020, respectively.

"We believe it is reasonable to expect that the overall economics of Cameron LNG will not significantly change as a result of this agreement. Sempra Energy's projected share of full-year run-rate earnings from the first three trains at Cameron LNG continues to range between \$400 million and \$450 million annually.

"Cameron LNG Phase 1 is one of five LNG export projects Sempra Energy is developing in North America: Cameron LNG Phase 2, previously authorized by FERC, encompasses up to two additional liquefaction trains and up to two additional LNG storage tanks, Port Arthur LNG in Texas and Energia Costa Azul (ECA) LNG Phase 1 and Phase 2 in Mexico.

"Development of Sempra Energy's LNG export projects is contingent upon obtaining binding customer commitments, completing the required commercial agreements, securing all necessary permits, obtaining financing, other factors, and reaching final investment decisions. In addition, the ability to successfully complete construction projects, such as the Cameron LNG export project, is subject to a number of risks and uncertainties."

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by words such as "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "contemplates," "assumes," "depends," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "target," "pursue," "outlook," "maintain," or similar expressions or when we discuss our guidance, strategy, plans, goals, vision, mission, opportunities, projections, initiatives, objectives or intentions. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: actions and the timing of actions, including decisions, new regulations and issuances of authorizations by the U.S. Department of Energy, Federal Energy Regulatory Commission, U.S. Environmental Protection Agency and Pipeline and Hazardous Materials Safety Administration, states, cities and counties, and other regulatory and governmental bodies in the U.S. and other countries in which we operate; the success of business development efforts and construction projects, including risks in (i) obtaining or maintaining authorizations; (ii) completing construction projects on schedule and budget; (iii) obtaining the consent of partners; (iv) counterparties' ability to fulfill contractual commitments; and (v) the ability to realize anticipated benefits from any of these efforts once completed; the availability of natural gas and liquefied natural gas, and natural gas pipeline and storage capacity; equipment failures; changes in energy markets; volatility in commodity prices; moves to reduce or eliminate reliance on natural gas; risks posed by actions of third parties who control the operations of our investments; weather conditions, natural disasters, accidents, equipment failures, explosions, terrorist attacks and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, and subject us to third-party liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits) or may be disputed by insurers; cybersecurity threats to storage and pipeline infrastructure, the information and systems used to operate our businesses; the impact of federal or state tax reform and our ability to mitigate adverse impacts; changes in foreign and domestic trade policies and laws, including border tariffs, revisions to or the replacement of international trade agreements, and changes that make our exports less competitive or otherwise restrict our ability to export; and other uncertainties, some of which may be difficult to predict and are beyond our control.

These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system free-of-charge on the SEC's website, www.sec.gov, and on the company's website at www.sempra.com. Investors should not rely unduly on any forward-looking statements. These forward-looking statements speak only as of the date hereof, and the company undertakes no obligation to update or revise these forecasts or projections or other forward-looking statements, whether as a result of new information, future events or otherwise.

Sempra LNG and Port Arthur LNG, LLC are not the same as the California Utilities, San Diego Gas & Electric Company (SDG&E) or Southern California Gas Company (SoCalGas), or Oncor Electric Delivery Company LLC (Oncor) and are not regulated by the California Public Utilities Commission.



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